

CONFIDENTIAL DOCUMENT

Hecla Mining Co. (NYS: HL)

History

Incorporated in Delaware on June 6, 1983, as successor to Company of the same name originally incorporated in Idaho on Oct. 14, 1891.

On Oct. 31, 1958, Polaris Mining Co., a 55.06% owned subsidiary of Co, was merged; minority shareholders received 171,522 shares on basis of one share for each 6 shares held.

In Dec. 1958, Co. acquired 498,382 shares (about 38%) of Lucky Friday Silver-Lead Mines Co. for \$3,362,865 cash and 37,500 common shares. Remaining 808,097 shares (62%) were acquired by issuance of 1,212,145 shares on basis of 1.5 shares exchanged for each Lucky Friday share.

On Sept. 1, 1959, Co. acquired Ace Concrete Co., Spokane.

On Jan. 1, 1964, Co. merged with Lucky Friday Silver-Lead Mines Co.

In Mar. 1965, Co. purchased 100% of 5.25% cumulative non-convertible preferred stock of Granduc Mines Ltd.

In Feb. 1966, Co. sold all interest in Bunker Hill Co.

In Feb. 1966, Co. acquired the Morning lead and silver mine, near Mullan, ID, from American Smelting & Refining Co.

In Apr. 1966, Co. acquired 403,509 shares (14%) of Day Mines, Inc. for 78,000 common shares and \$914,360 cash.

On Sept. 12, 1969, Co. acquired substantially all the assets of Transarizona Resources, Inc. for 1,000,000 shares.

In 1974, Co. sold its interest in Day Mines, Inc.

On Sept. 1, 1976, sold Ace Concrete Co., Spokane.

In Dec. 1977, Co.'s investment in the Granduc Mines Ltd. was written-off.

In Mar. 1977, Co. and Silver Dollar Mining Co. sold their approximately 6% holding interest in Sunshine Mining Co.

In Oct. 1978, Co. wrote-off its investment in Lakeshore Copper Mine in Arizona.

In Oct. 1981, Co. merged with Day Mines, Inc. for 7,246,928 common shares.

In Apr., 1984, Co. sold its 54.2% stock interest in Chester Mining Co. to Sunshine Mining Co.

In July 1984, Co. merged Ranchers Exploration & Development Corp. for 8,176,844 common shares.

In July, 1987, Amselco Minerals Inc. announced the approval for the development of a new underground polymetallic mine and concentrator located on Admiralty Island southwest of Juneau, AL. Greens Creek Mining Co., a wholly owned subsidiary of Amselco, will be the operator of the mine under a joint venture agreement with Hecla Mining Co., CVX Energy Inc., RTZ and Exalas Resources Corp. Co. has a 28% interest in the joint venture.

On Feb. 17, 1989, Co. completed the purchase of the kaolin operations from Cyprus Minerals Company for approximately \$11,200,000 in cash.

In Mar. 1989, Co. acquired the Apex Germanium-gallium-copper mine and processing plant for approximately \$5,500,000.

In Aug. 1990, Co. acquired a majority interest in Acadia Mineral Ventures Ltd. of Toronto, Canada for \$600,000 in cash and interest in nine Canadian properties in exchange for 11,500,000 Acadian common shares. Under the agreement, Co. provided Acadia with another \$600,000 in equity financing within six months of closing the transaction and, subject to determination of Acadia's board of directors, up to an additional \$4,000,000 in equity financing for exploration over the next two years. Co. has also agreed to make \$900,000 in cash payments to Acadia over the period ended Sept. 15, 1991, with respect to the Mooseland gold property in Nova Scotia. These payments were previously optional.

In Dec. 1990, Co. sold its 5% interest in the Coeur Mine, located in the Coeur d'Alene Mining District of North Idaho to Coeur d'Alene Mines Corp. The sale increases Coeur d'Alene Mines' interest in the mine to 45%.

In 1991, Co. acquired CoCa Mines, Inc. for 3,083,957 common shares.

In Jan. 1991, Co. finalized the purchase of all the outstanding capital stock of Indusmin Incorporated from a subsidiary of Falconbridge Limited and from Unimin Corporation. The acquisition consists of two feldspar mines and a processing plant at Spruce Pine, NC.

On May 19, 1992, Co. acquired interests in a number of Mexican mineral concessions for approximately \$2,900,000. The purchase consideration included the issuance of 184,862 shares of Co.'s common stock valued at \$1,800,000.

In June 1992, Co. sold its 25% interest in Galena Unit to Coeur d'Alene Mines Corp. The sale price was \$1,500,000 in cash, plus \$1,200,000 in unrecouped advances.

On June 30, 1993, Co. sold substantially all of its interest in Acadia Mineral Ventures Limited, a previously consolidated subsidiary, to Kingswood Resources, Inc., a Canadian exploration and development company, for \$350,000 cash, plus 5,000,000 of Kingswood Resources, Inc.'s common shares.

In Dec. 1993, Co. acquired all the outstanding shares of Mountain West Bark Products, Inc., through the issuance of 655,000 shares of Co.'s common stock.

On Jan. 24, 1994, Co. sold its entire investment in Granduc Mines Limited by selling 2,000,000 Granduc com. shares to Conwest Exploration Company Limited and 815,330 Granduc com. shares to Jascan Resources Inc., both of Toronto, Canada.

On Feb. 8, 1994, Co. sold a 20 % interest in its Grouse Creek gold project to Great Lakes Minerals Inc. of Toronto, Ontario. The purchase price of \$6,800,000 represents 20 % of the amount spent by Co. on acquisition, exploration and development of the project through June 30, 1993, including a fixed premium of \$1,250,000.

In Mar. 1994, Co. acquired its 47% interest in the American Girl gold mine as part of the Equinox acquisition. The mine property is located in Imperial County, CA. The property includes three mining areas; the Padre-Madre area, the American Girl Canyon area, and the Oro Cruz area.

On Mar. 11, 1994, Co. acquired Equinox Resources Ltd.

On June 5, 1995, Co. acquired kaolin mines and processing facilities in Langley, SC.

On Aug. 8, 1995, Hecla Mining Co. signed an agreement in principle with Santa Fe Pacific Gold Corp. to explore and develop Hecla's Golden Eagle deposit in northeast Washington state. Under the terms of the agreement, Santa Fe Pacific Gold can earn a 70% interest in the project by spending \$7,500,000 over a three-year period and completing a feasibility study. Santa Fe Pacific Gold has the option of withdrawing from the project at any time after spending \$2,500,000 on the property. The agreement is subject to completion of due diligence studies and execution of a definitive contract.

On Dec. 31, 1995, Co. held a 29.7% interest in the Greens Creek mine, located on Admiralty Island, near Juneau, AL, through a joint venture arrangement with Kennecott Greens Creek Mining Company, the manager of the mine, a wholly owned subsidiary of Kennecott Corporation. Greens Creek is a polymetallic deposit containing silver, zinc, gold, and lead.

On Jan. 31, 1997, Co. and Great Lakes Minerals Inc. (Great Lakes) entered into a letter agreement terminating the Grouse Creek joint venture and conveying Great Lakes' interest in the Grouse Creek mine to Co. Great Lakes retained a 5% defined net proceeds interest in the project. Co. has assumed 100% of the interests and obligations associated with the property.

On June 25, 1999, Co. acquired from Monarch Resources Ltd. all of the outstanding stock of Monarch Resources Investments Limited.

On Mar. 15, 2000, Co. sold substantially all of the assets of its Mountain West Products (MWP) division of MWCA for \$8,500,000 in cash. The sale of MWP resulted in a loss on disposal of \$1,000,000.

On June 5, 2000, Co. completed a sale of the landscape operations of CAC for \$1,100,000 in cash.

On Mar. 27, 2001, Co. sold its interests in Kentucky-Tennessee Clay Company, Kentucky- Tennessee Feldspar Corporation, Kentucky-Tennessee de Mexico and certain other minor industrial minerals companies (collectively the K-T Group) for \$62,500,000 subject to customary post-closing adjustments.

On Mar. 4, 2002, Co. disposed of the pet operations of the Colorado Aggregate division (CAC) of MWCA for approximately \$1,500,000 in cash.

On Jan. 30, 2006, Co. through its subsidiary, 2056672 Ontario Limited, sold all of 7,232,000 common shares in Alamos Gold Inc. to CIBC World Markets, Inc. for \$57,400,000.

On Apr. 19, 2007, Co. completed the sale of its interest in the Hollister Development Block gold exploration project in Nevada to its former partner, Great Basin Gold, Inc., for \$45,000,000 in cash and \$15,000,000 in Great Basin

Gold, Inc.'s common stock.

On Feb. 21, 2008, Co.'s wholly-owned subsidiary, Rio Grande Silver Inc., acquired the right to earn into a 70% interest in the San Juan Silver Joint Venture, which holds an approximately 25-square-mile consolidated land package in the Creede Mining District of Colorado, for a total of 927,716 shares of Co.'s common stock, valued at \$9,400,000 at the time of the transaction.

On Apr. 16, 2008, Co., through its subsidiary, Hecla Admiralty Company acquired all of the issued and outstanding shares of capital stock of Kennecott Juneau Mining Company from Kennecott Minerals Holding Company.

On Apr. 16, 2008, Co. completed the acquisition of all of the ownership interest of the two indirect Rio Tinto, PLC, subsidiaries holding a 70.3% interest in the Greens Creek mine. The purchase price was composed of \$700,000,000 in cash and 4,365,000 shares of Co.'s common stock valued at \$53,400,000, and estimated acquisition related costs of \$5,100,000 for a total acquisition price of \$758,500,000.

On July 8, 2008, Co. sold its wholly owned subsidiaries holding its business and operations of the La Camorra Unit in Venezuela to Rusoro Mining, Ltd. (Rusoro) for \$20,000,000 in cash and 3,595,781 shares of Rusoro's common stock.

On Nov. 6, 2008, Co. completed the acquisition of substantially all of the assets of Independence Lead Mines Company, located in northern Idaho's Silver Valley, for 6,936,884 shares of Co.'s common stock, which had an estimated value of \$14,200,000 based on the closing price of Co.'s stock on the acquisition date.

On Mar. 9, 2009, Co. completed the sale of its processing facility located in Velardeña, Mexico to ECU Silver Mining Inc. (ECU) for \$8,000,000 in cash and 750,000 shares of ECU's common stock, valued at \$300,000.